



BON PASCU

Christmas Message

The President's



Two years ago at the start of the decade of the '80's, I mentioned that in many respects the oil business situation was becoming more complex, the future less certain, and the tasks we face more challenging.

In the period since that message, we have seen some disturbing developments in the oil business world-wide, and today, I am less optimistic about the future than before. Demand for petroleum has been dropping, a world-wide recession started and is continuing, and the business is faced with excess capacity, surplus supplies of oil, and declining profits. Consequently, in an effort to adjust to the new situation, refineries have been shut down, operations have been curtailed, and in many Exxon organizations large numbers of people have lost their jobs. At Lago we have fared better than most; refinery runs were at 85% of capacity on the average in 1982 and financial results were satisfactory. Our safety performance has improved considerably compared with the past two years. Lago employees have worked over one and a half million manhours without a disabling injury.

Construction on the Utilities Modernization Project has started, is on schedule and is planned for completion and start-up in the latter part of 1983. About mid-year 1983 we expect over 100 construction workers to be engaged in the erection of the boilers and associated facilities. Our housekeeping efforts are paying off as the refinery and the residential area are looking better all the time.

But because we have fared well does not mean that we are immune to or isolated from the problems in the oil business. If the world-wide recession continues and oil demand keeps dimishing, we may well be faced with difficult situations here at Lago. To continue to enjoy the prosperity and the jobs we have, we must be prepared and able to meet the challenges and the opportunities that keep coming our way. This is true not only for Lago but also for Exxon as a whole. Therefore, to meet such challenges and business opportunities, our regional

organization, Esso Inter-America, has decided to consolidate its operations at Lago in Aruba and those elsewhere in the Caribbean islands and in Central America into one single organization called Esso Caribbean and Central America. This integrated organization is expected to have a better chance for long term success in its endeavors than the individual units on their own.

At Lago we must do our share to help the new organization succeed. One way of doing this is to make certain we achieve our main objectives for 1983 of processing more efficiently and at higher severity all the crude that is made available to us, of better defining our long term process configuration, and of integrating smoothly our plans and operations into the new organization.

However, recent occurrences at the refinery raise concerns about our preparedness to meet the future challenges. For instance, in 1982, for the second consecutive year we have had a total refinery shutdown that lasted for several days and curtailed our production. Also we have been faced with serious limitations of high quality water essential for the proper operation of our boilers. Our oil loss reduction program continued to have high priority but although significant improvements were realized, overall results were disappointing. Furthermore, a new training and upgrading program for our process operators has not been implemented, and we continue to operate without the necessary flexibility in our workforce. For us to continue to be successful we must make improvements in all these areas. In 1983, we are counting on the traditional high level of cooperation from all our employees to help maintain the good business results we have had in the past few years.

On behalf of Lago management I want to extend our appreciation for a job well done, and wish each and everyone of you a happy and joyful season and a period of personal growth and happiness in the years ahead.

G.E. Golden

Un Mensaje di Pascu



di Presidente

Dos aña pasá, na comienzo di e decada '80, mi a menciona cu den hopi sentido e situacion di negoshi di petroleo tabata birando mas complicá, e futuro menos sigur, y e trabow cu nos ta enfrentá mas desafiente. Durante e periodo desde e mensaje ey, nos a wak algn desaroyo tumultuoso den negoshi di petroleo mundialmente, y awe, mi ta menos optimista cu antes tocante e futuro. E demanda di petroleo a baha, un recession mundial a cuminzá y ta continuando, y e industria ta enfrentá cu un exceso di capacidad, un cantidad restante di petroleo, y ganashinan reducí. Consecuentemente, den un esfuerzo pa ahustá na e situacion nobo, refinerianan a wordo será, operacionnan a ser reducí y den hopi organizacionnan di Exxon cantidadnan grandi di hende a perde nan trabow.

Na Lago, nos tabatin hopi mas exito cu hopi otronan; refineria tabata operá riba un averahe di 85% di capacidad den 1982 y resultadonan financiero tabata satisfactorio. Compará cu e dos añanan anterior, nos implementacion di seguridad a mehorá considerablemente. Empleadonan di Lago a traha más cu un miyon y mei ora obreril sin un accidente incapacitante. Construccion di e Utilities Modernization Project a cuminzá, ta sigi manera programá y tin planeá pa e terminá y cuminzá operá durante ultimo parti di aña 1983. Mas o menos na mitar di 1983, nos ta spera cu mas di 100 empleado di construccion lo ta envolví den e erección di e boiler-nan y e facilidadnan asociá cu ese. Nos esfuerzonan di cuido domestico ta wordo recompensá cu un refineria y comunidad cu ta mustra mihor cada biahá.

Pero no pasobra cu nos tabatin exito kier meen cu nos ta protehá of isolá di problemanan den industria petrolera. Si e recession mundial continua y e demanda pa petroleo sigi disminuí, nos por bien wordo enfrentá cu situacionnan dificil aki na Lago. Pa nos sigi goza di e prosperidad y empleo cu nos tin, nos mester ta prepará y capaz pa trata cu e desafio y oportunidadnan cu ta keda bin den nos caminda. Esaki no ta conta pa Lago só, pero pa henter Exxon tambe. Pesey mes, pa trata cu tal desafio y oportunidadnan pa negoshi, Esso Inter America, nos organizacion regional, a dicidí

di consolidá su operacion na Lago, Aruba, y esnan riba otro islán Caribense y di America Central den un solo organizacion cu yama Esso Caribbean and Central America. Ta ser sperá cu e organizacion integrá aki lo tin un mihor oportunidad pa cosechá exito a largo plazo den su esfuerzonan, cu e unidadnan individual riba nan mes.

Na Lago nos mester contribuí cu nos parti pa yuda e organizacion nobo ser exitoso. Un manera di haci esaki ta di sigurá pa nos logra nos obhetivonan principal pa 1983, di procesá tur e crudo cu ta wordo poní na nos disposicion mas eficientemente y cu un severidad mas halto, di duna un mihor definicion na nos configuracion di proceso di largo plazo, y di integra nos plan y operacionnan suavemente den e organizacion nobo.

Sinembargo, occurencianan reciente na refineria a causa preocupacion tocante nos preparacion pa haci frente na desafionan di futuro. Por ehempel, na 1982, pa e segundo aña consecutivo, nos tabatin un paro total di refineria cu a dura basta dia y a limitá nos produccion. Tambe nos a ser enfrentá cu limitacionnan serio di bon calidad di awa cu ta esencial pa e operacion adecuá di nos boiler-nan. Nos programa di reduccion den perdida di petroleo a sigi tin hopi importancia, pero maske cu mehoracionnan significante a ser realizá, resultadonan total tabata decepcionante. Ademas, un entrenamiento nobo y un programa di mehoracion pa nos process operator-nan no a wordo implementá y nos ta sigi opera sin e flexibilidad necesario di nos forza obreril. Pa nos sigi ser exitoso nos mester haci mehoracion den tur e areanan aki. Den 1983, nos a conta riba e nivel halto di cooperacion cu tradicionalmente nos a haya di tur nos empleadonan pa yuda mantene e bon resultadonan den negoshi cu nos tabatin den e ultimo añanan.

Na nomber di gerencia di Lago, mi kier extende nos aprecio pa un trabow bon hací, y deseá cada un di boso un temporada feliz y yen di gozo y un periodo di crecimiento personal y felicidad den e añanan cu ta bin.

G. E. Golden



Promotion

Oswin Koeiman
Refining Engineer
Technical

New face ...

Anna Maria Holman
Controller's



Technology transfer important for optimal refinery operations

Having the lastest technology in use and up-to-date technical information readily available is essential to maintaining a company's operational viability. Combined with effective management, employee commitment and efficient operation, the right technology makes for an organization which is competitive.

Over the years Lago has had a close relationship with Exxon Research and Engineering (ER&E), an Exxon organization located in Florham Park, New Jersey, which provides technological support to all Exxon affiliates. ER&E has a staff of technical experts and engineers who develop capital projects, provide technical consulting assistance and conduct research and development programs in a wide range of technical specialty and process fields pertinent to refining.

All Exxon affiliates pay funds to finance the R&D and Lago has always tried to learn about and apply new technology as it becomes available. "However, we have been looking for ways to take maximum advantage of the R&D program", says Bob Levy, Manager of Lago's Technical Department.

"Now", he added, "we are taking additional steps to make sure we keep abreast of technology to improve and optimize our operations". This is being accomplished through a new technical liaison program with ER&E which was established during the middle of 1982. By end of the year, about eight visits by ER&E experts from different technology fields will have been made to Lago under this program. Each visit normally lasts from 2 to 4 days.

In August for example, a visit was set up to discuss a variety of materials and corrosion problems. For instance, Lago was concerned about the effect of the highly corrosive Mexican crude oil it has been running. As a result of discussions during the ER&E visit, improved techniques for predicting corrosion rates were implemented. Along with the Technical Department, ER&E will also be searching for new techniques to measure corrosion rates. "In the corrosion area, we found out about new methods available", said Jerry Bailey, Division Superintendent of the Operations Support Division of the Technical Department. "We not only hear about new technology, but also we learn how other affiliates are handling similar problems or what they achieved in certain areas. It is a good opportunity for Lago engineers to learn about new technology and to exchange ideas with these visitors. I think it is a worthwhile program".

As another example, a liaison visit on visbreaking presented an opportunity to review the current Lago program for increased severity. At that time, discussions were held on the fouling problems in the visbreaking fractionation area. These discussions will assist in further operations planning and provide ideas for possible equipment modifications.

As these liaison visits are short, ER&E often has to follow up with studies and further recommendations. During an ER&E visit on the topic of mechanical engineering, for instance, a problem with excessive line movements that damage the piping and can cause oil spills was discussed. To address that problem, ER&E together with the Technical Department will follow up by conducting a surge and piping response analysis of one selected oil movements pipeline before a solution is recommended.

"We will basically be working with ER&E very closely in all areas", said Jopi Croeze, Section Head of the Mechanical Engineering Section of the Project Engineering Division of the Technical Department.

During the civil engineering liaison visit, for example, it was decided that Lago and ER&E should work together to come up with a method for inspecting stack deterioration while on stream. "We have had many fruitful discussions", Jopi said. "These visits are beneficial for us because we can make them aware of our problems and have a better input to the R&D program. They are also beneficial for the visitors because through these visits they find out about refinery problems first hand and become better equipped to conduct valuable research for use in our refinery and other Exxon refineries".

These liaison visits are not the only methods used to gain knowledge on technology, as Lago also sends local employees to ER&E to attend meetings, seminars, to follow training courses or to work on special projects. In addition to ER&E, Lago uses other vehicles to stay up-to-date with new technology, such as participation in some subcommittees of Exxon U.S.A.'s Refining Technical Committee. According to Mr. Levy, these subcommittees have been a good example of cooperation between Exxon organizations to understand and apply technology for mutual benefit.

"What is important", said Mr. Levy, "is the process of technology transfer. Incorporating the right technology into the refinery has a substantial impact on profitability".

Transferencia di tecnologia ta importante pa mihor operacion di refineria

Pa un compania mantené desaroyo di su operacion e mester uza lo ultimo den tecnologia y e mester tin informacion disponibel di e ultimo descubrimentonan tecnico.

Ora cu tecnologia adecuado ta combiná cu un maneho efectivo, dedicacion di empleado y un operacion eficiente, e ta resultá den un organizacion cu por competí den e mercado di negoshi.

Den pasado Lago tabatin un relacion hopi será cu Exxon Research and Engineering (ER&E), un organizacion di Exxon situá na Florham Park, New Jersey, cual ta provee tur afiliado di Exxon cu ayudo technico. ER&E tin un personal di ingenieronan y expertonan tecnico kendenan ta desaroyá proyectoran di capital grandi, provee ayudo den consulta tecnico y conduci programanan di estudio y desaroyo den ramo tecnico y di proceso cualnan ta necesario pa refinamento.

Tur afiliado di Exxon ta paga fondo pa financia R&D y Lago semper a purba di siña for di dje y tambe aplicá tecnologia nobo ora cu e bira disponibel. "Sinembargo, nos tabata investigá con pa probechá mas di e programa R&D", Bob Levy, Manager di Technical Department di Lago, a bisa. "Awor," ela agrega, "nos ta bai dal pasonan adicional pa nos tin sigur cu nos lo keda al tanto di tecnologia pa mehorá y haci nos operacionnan lo mihor posible." Esaki ta wordo lográ cu e programa di enlace tecnico cu ER&E, cual a wordo estableci durante mitar di 1982. Pa fin di anja, mas o menos ocho bishita di expertonan den diferente ramo tecnico di ER&E lo a wordo ricibi pa Lago bao di e programa aki.

Normalmente kada bishita ta dura entre 2 pa 4 dia. Na Augustus, por ehempel, un bishita a wordo estableci pa discutí un variedad di problemanan di material y frustu. Lago tabata preocupa cu e efecto di e procesamiento di petroleo Mexicano cu ta causa hopi frustiamento. Como resultado di e discussionnan durante e bishita di ER&E, a wordo poni na practica mihor tecnica pa predecí e cantidad di frustu. ER&E hundo cu Technical Department tambe lo rondia tecnicanan nobo pa midi e cantidad di frustu. "Riba tereno di frustiamento, nos a haya sa di metodonan nobo cu ta disponibel," Jerry Bailey, Division Superintendent di Operations Support Division di Technical Department, a bisa. "No solamente nos ta haya sa di tecnologia, pero nos ta haya sa tambe con e otro afiliadonan ta trata cu problemanan similar of kiko nan a logra den cierto areanan. Ta un bon oportunidad pa ingenieronan di Lago siña di tecnologia nobo y pa intercambia ideanan cu e bishitantenan. Ami ta kere cu e ta un programa beneficioso."

Como un otro ehempel, un bishita di enlace tocante "visbreaking" a duna oportunidad pa repasá e programa actual cu Lago tin pa aumenta severidad. Na e ocasian ey, a ser discuti e problemanan di sushamento riba tereno di "visbreaking fractionation." E discussionnan aki lo sirbi como ayuda den e siguiente planeamentonan di operacion y lo provee ideanan pa posibel cambionan den equipo.

Como cu e bishitanan di enlace ta cortico, frecuentemente ER&E mester sigi cu estudio y mas recomendacion. Por ehempel, durante un bishita di ER&E riba e topico di ingenieria mecanica, un problema di demasiado movimiento di tubo cu ta causa daño na e tuberia y por causa derrame di petroleo, a ser trecí padilanti. Pa enfrentá e problema ey, ER&E cu

Technical Department hundo lo sigi cu un análisis di "Surge and Piping Response" di un tubo selectá promer cu nan recomendá un solucion.

"Basicamente nos lo traha estrechamento cu ER&E riba tur tereno," Jopi Croeze, Section Head di Mechanical Engineering Section di Project Engineering Division di Technical Department, a bisa.

Por ehempel, durante e bishita di enlace den ingenieria civil, a wordo decidí pa Lago y ER&E traha hundo pa bin cu un método di inspectá deterioracion di un stack den operacion.

"Nos tabata tin hopi discusion util," Jopie a bisa. "E bishitanan aki ta beneficioso pa nos pasobra nos por hacinan conciente di nos problemanan y tambe nos por saca mas probecho di e programa R&D. E bishitanan ta beneficioso pa e bishitantenan mes tambe pasobra pa medio di e bishitanan nan mes ta wak e problemanan di refineria y nan ta bira mihor equipá pa conducí estudionan valioso pa asina aplica nan den nos refineria y otronan di Exxon."

E bishita di enlace aki no ta e unico metodo cu ta wordo uzá pa haya conocimiento tecnico, ya cu Lago tambe ta manda empleadonan local ER&E pa atende reunion, seminario, y sigi cursonan di entrenamiento of traha riba proyectoran especial.

Fuera di ER&E, Lago ta uza otro sistemanan pa keda al tanto di tecnologia nobo, manera participacion den algun sub-comision di e Refining Technical Committee di Exxon U.S.A. Di acuerdo cu Sr. Levy, e sub-comisionnan aki tabata un bon muestra di cooperacion entre organizacionnan di Exxon pa comprendé y aplicá tecnologia pa beneficio mutuo.

"Locual ta importante," Sr. Levy a bisa, "ta e proceso di traslado di tecnologia. Incorporando e tecnologia correcto den refineria tin un impacto significante riba ganancia."



★??Does-Not!- ★Compute!??★

Almost every job here at Lago has its own challenges and is unique in one aspect or another. For the refinery operations to run smoothly deadlines have to be met, even though at times it may not be that easy if unforeseen events create havoc with all our plans and intentions. For instance, the printing plant staff has to get printed material out daily, turnarounds have to be completed on time, ships have to be loaded and sent to their destination with on-spec products without delays.

Other Lago employees, specifically the shiftworkers, have to work at night to keep the refinery running. And as long as "all goes well", they are oftentimes taken for granted, as are many of the not-so-well-known aspects of refinery operations.

Some few Controller's Department employees are shift workers, but even some who are not, often do have to work at night, particularly for month-end and year-end closings to meet their commitments. One commitment that particularly affects employees is that of issuing the paychecks on time. But at the beginning of this month, things did not go smoothly at all and this time, it took a high degree of commitment and a lot of team effort from Controller's employees to meet the deadline for paying employees on time and correctly.

"It was an exercise in working together. Everyone was doing what they knew best," said Clark Carter, Section Head of Computer Operations and Technical Services of Controller's - MCS.

It was a day before the paychecks had to be delivered to the banks that the main computer had, what is termed, a "critical component failure." This component had to be replaced before the checks could be produced. Under normal circumstances it would not have become a problem, because Lago has many resources ready to assist in case of emergencies.

This time it was a little different, because the deadline of the paychecks was approaching rapidly. Lago's resources in this case, IBM, The Aruba Government and Exxon affiliates were all contacted by MCS. IBM contacted its affiliates in Curaçao, Caracas and elsewhere, while Esso Inter America contributed by searching for a replacement part within Exxon.

"This was not only a case of Lago employees working together, but also of cooperation between companies," said Mike Ferriss, Lago's Controller. "All the parties contacted by MCS were willing to assist and gave their full cooperation." But as precious time passed, the computer component needed could not be located.

"We were trying to do two things," commented Clark. "We were looking for the part we needed, while at the same time looking for another alternative to process the checks." The other alternative was being developed at the same time by the Applications Development and Support Section of MCS. "We needed data converted from a tape file to disc in order to effectively use the working pieces of the computer here at Lago," explained Don Boley, Section Head of AD&S Section.

So when the first option seemingly failed, a plane was chartered to Curaçao at 7:30 p.m. on the night before the checks had to be delivered to the banks, to use Shell's computer system.

"Shell and Lago have a mutual agreement to cooperate fully when circumstances as these arise," said Charlie Lampe, Supervisor of Computer Operations, who headed the crew to Curaçao. Shell gave its full cooperation and at midnight they returned with the computer data transferred from a tape file to a disc file.



**Above, loading the payroll master tape to the tape drive in the Main Computer Room is Michael Vos.
Below, Eddy Wever is entering operating instructions to the CRT to execute the payroll.**



As happens often though, several solutions were found at the same time. While the crew was still in Curaçao, IBM managed to get a replacement part to Aruba. The computer was repaired. About an hour before the deadline the checks and exact amount of money due to employees were delivered to the banks.

"It was a challenging experience because we had to solve the problem within definite time constraints," said Clark. "When things are tough, people have the tendency to work together and be even more professional in their jobs."

It took innumerable phonecalls and plenty of anxiety for MCS and Financial Accounting employees, but the completion of a job well-done was their reward.

ARUBA

Lago Oil & Transport Co., Ltd.
Aruba, Netherlands Antilles

Vol. 42 - No. 11

Editor: Mrs. M. Jansen-Feliciano
Photographs by: Joe's Photography Service
Printer: Verenigde Antilliaanse Drukkerijen N.V.

★ ??E-No!-Ta!- ★ Computa!??★

Casi tur trabow na Lago tin su desafionan propio y ta unico den un of otro aspecto. Pa un refineria sigi opera suavemente, e fin di plazonan mester wordo logra, maske cu tin vez esey no ta facil si occurencianan inesperá ruina tur nos plan y intencionnan. Por ehempel, e personal di Printing Plant mester saca material imprimí tur dia, turnaround mester wordo completá na tempo, barconan mester wordo cargá y mandá pa nan destino cu productonan on-spec sin tardanza.

Otro empleadonan di Lago, specificamente trahadornan di shift, mester traha anochi pa refineria sigi operá. Y mientras cu tur cos sigi bon, hende no ta tuma nota di nan, manera ta pasa tambe cu hopi otro aspectonan poco conocí di e operacion di refineria.

Algun empleadonan di Controller's Department ta trahador di shift, pero te hasta algun cu no ta traha shift frecuentemente mester traha anochi especialmente pa inventario di fin di luna y fin di año, pa logra nan compromiso. Un compromiso cu ta afectá empleadonan en particular. ta entregamento di paycheck na tempo. Pero na cuminzamiento di e luna aki, cosnan no a bai dje bon ey mes y e biah aki, ela requerí un grado mas halto di dedicacion y esfuerzo di un team di empleadonan di Controller's pa paga empleadonan e suma correcto y na tempo promer cu e fin di plazo. "E tabata un ejercicio den trahamento hundo. Tur hende tabata haci locual nan sa mihor", Clark Carter, Section Head di Computer Operations y Technical Services di Controller's - MCS a bisa.

Tabata un dia promer cu e paycheck-nan mester a wordo entrega na banco cu e computer principal a haya locual ta ser yamá "fayo di un parti indispensabel". E parti aki mester a wordo cambiá pa e checknan por wordo trahá. Bao circumstancianan normal esey lo no a bira un problema, paobra Lago tin hopi instancianan clá pa asistí den caso di emergencia.

E biah aki tabata un poco diferente, pasobra e fin di plazo pa e paycheck tabata acercando. E recursionan di Lago, den e caso aki IBM, Gobierno di Aruba, y afiliadonan di Exxon, a wordo acercá pa MCS.

IBM a tuma contacto cu su afiliadonan na Corsow, Caracas y otro caminda, mientras cu Esso Inter America a contribuí door di rondia e parti necesario den Exxon mes.

"Esaki no tabata solamente un caso di cooperacion entre empleadonan di Lago, sino tambe cooperacion entre companianan," Mike Ferriss, Controller di Lago a bisa. "Tur esnan cu kende MCS a tuma contacto tabata dispuesto pa yuda y a duna nan cooperacion completo." Pero mientras e tempo valioso tabata pasando, e parti necesario di e computer no por a wordo localizá.

"Nos tabata purba haci dos cos," Clark a splica. "Nos tabata busca e parti cu nos tabatin mester, mientras cu tambe nos tabata busca un otro alternativa pa procesa e checknan." Mientras tanto Applications Development and Support Section di MCS tabata desaroyá e otro alternativa. "Nos mester a convertí data di un tape file pa un disc pa asina nos por uza e piezanán di e computer na Lago cu sí tabata traha", Don Boley, Section Head di AD&S, a bisa.



The new white Christmas tree adorned with golden decorations situated in the G.O.B. lobby, contributed to the employees' happy feeling of Christmas.

Astrid Webb and Pat Every, executive secretaries, stopped by to admire it.

Ora cu e promer opcion a parce di faya, un aeroplano a wordo gecharter pa Corsow pa 7:30 p.m. riba e anochi promer cu e checknan mester a wordo entregá na banco, pa uza e sistema di computer di Shell.

"Shell y Lago tin un acuerdo mutuo pa cooperar enteramente ora circumstancianan asina bin dilanti," Charlie Lampe, Supervisor di Computer Operations, kende a encabezá e grupo pa Corsow, a bisa. Shell a duna su cooperacion completo y pa mei di anochi nan a regresa cu e data di computer trasladá di un archivo di tape pa un archivo di disc.

Sinembargo, manera sa pasa hopi biah, diferente solucion a ser hayá na e mesun tempo. Mientras cu e grupo tabata na Corsow ainda, IBM a logra di trece un parti di reemplazo Aruba. E computer a wordo drechá. Mas o menos un ora promer cu e fin di plazo a yega, e checknan y e cantidad exacto di placa a wordo hibá na banco.

"E tabata un experiencia desafiante pasobra nos mester a resolvé e problema bao di presion di tempo," Clark a bisa. "Ora cu asuntonan bira dificil, hende tin e tendencia di traha hundo y bira ainda mas profesional den nan trabow."

Un cantidad di yamada telefonico y hopi anciedad pa empleadonan di MCS y di Financial Accounting, tabata envolví den esaki, pero nan recompensa tabata e terminacion di un trabow bon hací.



FELIZ AÑA